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Thailand

Grain and Feed

Weekly Rice Price Update

2009

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Report Highlights:

Domestic and export prices continued the downward trend due to quiet foreign demand. There are rumors that the Thai government will release old-crop intervention stock of around 1.6 million tons next week. However, exporters remain doubtful of this rumor due to the current lack of inquiries for Thai white rice. Additionally, the Government will discuss the MY2008/09 second crop intervention program during this week's meeting of the National Rice Policy Committee.

Includes PSD Changes: No
Includes Trade Matrix: No
Trade Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Feb. 16):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	845	-	900	-	860	820	-	856	859
WR 100 B	610	-	625	-	635	575	610	611	612
PB 5%	-	-	650	-	635	600	600	621	639
WR 5%	570	-	600	-	615	545	600	586	592
WR 10%	550	-	-	-	-	538	-	544	564
WR 15%	500	-	-	-	-	510	-	505	518
WR 25%	470	-	-	-	-	455	-	463	480
WR 35%	-	-	-	-	-	-	-	-	-
A 1 SUP	285	-	-	-	320	300	-	302	317
A 1 SPEC	-	-	-	-	-	-	-	-	-
Source: Average actual prices received from exporters, Exchange rate: 34.9 baht/U.S.\$									

Market Tone

Domestic and export prices continued the downward trend due to quiet foreign demand. Despite declining exportable supplies of Vietnamese white rice, foreign buyers who normally return to Thai white rice reportedly are hesitant to buy as Thai white rice prices are still well over \$100/MT higher. Traders report foreign buyers are sourcing rice hand to mouth while waiting for Vietnamese new-crop harvest to reach the market by next month. Parboiled rice prices continued to decline by three percent as shipments to African countries slowed with no new orders. In addition, there are rumors that the Thai government will release old-crop intervention stock of around 1.6 million tons next week. However, exporters remain doubtful of this rumor due to the current lack of inquiries for Thai white rice.

The MY2008/09 intervention program will finish by the end of February. So far, the program has absorbed 5.5 million tons of paddy valued at 58 billion baht (\$1.7 billion), of which 2.7 million tons are white rice paddy, and approximately 2.2 million tons are fragrant rice paddy. The remainder is glutinous and Pathumthani rice. The Government will discuss the MY2008/09 second crop intervention program during this week's meeting of the National Rice Policy Committee. The Thai Farmer's Association has proposed the program begin on March 15 and to finish by the end of September with intervention prices of 13,000 baht/ton (\$371/MT) for white rice paddy. However, intervention price for MY2008/09 second crop will likely be set lower than current intervention prices of 12,000 baht/ton (\$343/MT).

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
Dec 21	84,971	74,891	7,348	6,368	15.4
Dec 28	104,710	87,246	7,453	6,570	13.4
Dec 31	16,694	-	7,470	6,597	13.2
Jan 4	3,295	-	3	58	-94.3
Jan 11	87,324	-	91	220	-58.9
Jan 18	127,646	-	218	379	-42.2
Jan 25	141,973	90,060	360	557	-35.3
Feb 1	73,513	107,614	434	739	-41.3
Feb 8	116,472	114,901	550	915	-39.9
Feb 15	113,467	111,357	664	1,110	-40.2

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Feb. 9-15, 2009 totaled 113,467 tons, down 3,005 tons from the previous week, and up 2,111 tons from the four-week moving average of 111,357 tons. Exports during Jan. 1- Feb. 15 totaled 663,692 tons, as compared with 1,109,653 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1- Feb. 11, 2009, amounted to 868,080 tons, down 36.5 percent from 1,366,865 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Jan. 26-30, Feb. 2-6, and Feb. 9-13, 2009 are as follows:

Movement (MT)	Jan. 26-30	Feb. 2-6	Feb. 9-13
Weekly sales	108,700	82,972	174,370
4 week sum	542,224	502,854	517,761
4 week mov. avg.	135,556	125,714	129,440
Total weekly sales	542,224	625,196	799,566

End of Report.